

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	47677	Agenda Number	72.
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Meeting Date:	8/6/2015	Department:	Neighborhood and Community Development
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Subject

Conduct a public hearing and consider a resolution supporting an application to be submitted by Pedcor Investments, LLC, or an affiliated entity, for an award of low-income housing tax credits from the Texas Department of Housing and Community Affairs, for a proposed affordable multi-family development to be called the Heights on Parmer Phase II, located at 1524 East Parmer Lane. (District 7) Related to Item # 23.

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	February 27, 2014 – Council conducted a public hearing and approved Resolution Number 20140227-071 for the first phase of this development. June 18, 2015 – Public hearing set for August 6, 2015 for the second phase of this development.
For More Information:	Betsy Spencer, NHCD Director, 512-974-3182; David Potter, NHCD Program Manager, 512-974-3192
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

This action will conduct a public hearing to receive public comment to consider approval of a resolution as required by the Texas Department of Housing and Community Affairs (TDHCA) 2015 Uniform Multi-family Rules. The applicant, Pedcor Investments, LLC, (“Pedcor”) or an affiliated entity, must submit to TDHCA a resolution of no objection from the applicable governing body in which the proposed development is located.

Purpose

The purpose of the Public Hearing will be to receive public comment to consider approval of a Resolution of No Objection by the City of Austin. If approved, a copy of the resolution will be submitted by the developer to the Texas Department of Housing and Community Affairs (TDHCA) with the Tax Credit application.

Proposed and Current Projects

Pedcor Investments, LLC, currently has 252 units under construction at 1500 East Parmer Lane, all of which will be affordable to households with incomes at or below 60% of the Median Family Income (MFI) for the Austin-Round Rock-San Marcos, TX metropolitan statistical area. Pedcor is proposing to build an additional 80 new construction units, to be called Heights on Parmer Phase II and located at 1524 East Parmer Lane. An application will be submitted to the TDHCA for 4% Low Income Housing Tax Credits, to assist in funding the second phase of this project.

Sources and Uses

Sources

Private Activity Bonds	\$8,507,937
Tax Credit Equity	3,580,952
Owner Equity	<u>654,067</u>
Total	\$12,742,956

Uses

Acquisition	\$640,000
Architectural and Engineering	302,400
Hard Costs	7,950,000
Soft and Carrying	2,103,012
Reserves and Developer Fee	<u>1,747,544</u>
Total	\$12,742,956

Phase II Project Attributes

- No AHFC funding is being requested.
- Number and percentage of units by Median Family Income (MFI) level: All units will be affordable to households with incomes at or below 60% MFI.
- Number of units proposed by type: 24 1-bed/1-bath (723 square feet), 44 2-bed/2-bath (995 square feet), and 12 3-bed/2-bath (1,231 square feet)

On-Site Amenities

Full perimeter fencing, controlled gate access, gazebo w/sitting area, covered pavilion that includes barbecue grills and tables with at least one grill and table for every 50 units, swimming pool, splash pad/water feature play area, furnished fitness center, equipped and functioning business center, furnished community room, enclosed community sun porch or covered community porch/patio, two children's playscapes, dog park area that is fully enclosed and intended for tenant owned dogs to run off leash, common area Wi-Fi, native trees and plants installed that reduce irrigation requirements, water-conserving fixtures that meet the EPA's WaterSense Label, recycling services, and Energy-Star rated windows.

Pedcor Investments, LLC

Pedcor Investments, a Limited Liability Company, was founded in 1987, and according to information provided by Pedcor, it is considered one of the largest developers of affordable housing within the multifamily housing tax credit program. Pedcor's development portfolio is comprised of 52 conventionally-financed 9% tax credit developments, 57 tax-exempt 4% bond-financed developments, and 13 market rate developments, in addition to a special use facility providing a safe haven for women who have been victims of domestic violence.